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Matsui Opposes Republican Budget Plan That Would Hurt Seniors, Students and Clean Energy Sector

WASHINGTON, D.C. – Today, Congresswoman Doris O. Matsui voted against the Republican budget plan for Fiscal Year 2012 that would privatize Medicare, gut Medicaid, and end federal support for clean energy technology and manufacturing. Congresswoman Matsui has been an outspoken opponent of the plan since its release, organizing [press](#)

[conferences](#)

and

[speaking on the House floor](#)

about the negative effects it would have on Sacramento

[seniors](#)

,
[students](#)

, and clean energy sector.

“The federal budget should reflect the priorities and values of our nation, but the Republican plan looks out only for the interests of Big Oil and corporations who would continue to get enormous subsidies and tax breaks, even as they ship jobs overseas,” explained Congresswoman Matsui. “And they are asking the middle class, seniors, and America’s most vulnerable to pay for it.”

The Republican budget plan would end Medicare as it currently exists, by changing it two radical ways: replacing the current system with a voucher program; and raising the retirement age. The nonpartisan Congressional Budget Office (CBO) reported that the vouchers would be provided to seniors to buy coverage from private insurance companies in lieu of current Medicare coverage. Since these vouchers would be adjusted only for overall inflation, they would rise about three percentage points per year less than the rate at which health care costs

have been growing; and the out-of pocket costs for seniors would be expected to triple.

CBO also reported that the Ryan plan would raise the eligibility age from 65 to 67. This, coupled with the repeal of the Affordable Care Act included in the Republican budget plan, would result in a situation in which 65 and 66 year olds would have neither Medicare nor access to affordable coverage on the Exchanges. This could have a devastating effect on the senior community; many of whom are on fixed incomes of less than \$19,000 a year.

In fact, in California's Fifth Congressional District, 94 percent of seniors use Medicare to see their doctors and to get the care they need. 17 percent of Sacramento seniors receive Medicaid; and 15 percent receive both Medicare and Medicaid. The sweeping changes included in the Republican plan would pull the rug out from them.

"The Republican plan would break the promise that was made to all Americans: that if you work hard, play by the rules, pay your taxes, and reach retirement age, Medicare will be there to give you a hand when you need it," Matsui stated. "But this change of the rules does not reflect the values that seniors in my district hold, I will continue to fight against these harmful proposals."

But the Republican budget is not just bad for seniors, disabled, and low-income or middle class families – it is also destructive to students and their families. For instance, Pell Grants would be cut for 9.4 million eligible students next year, and as many as 1 million students would be kicked out of the program altogether. In Sacramento, over 28,000 students are benefitting from Pell Grants this school year alone; cutting this vital, effective program would mean significantly fewer students would be able to afford college next year, and in the years to come.

The Republican budget plan passed by the House today would also hurt small and medium-sized clean energy companies. The budget removes federal support for clean energy initiatives, which will put American companies at a disadvantage. In Sacramento, where over 200 clean energy companies are already making a big impact on the local economy, creating jobs, and reducing our dependence on oil, a lack of federal support would be detrimental.

"I know that cutting benefits for Sacramento's seniors, cutting education for Sacramento's students, and cutting investments in Sacramento's clean energy sector will hamper our economic recovery. That is why I voted against the Republican budget plan today, and will continue to advocate for practical cuts that reflect our priorities. In order for America to remain competitive, innovative, and a global leader, we must make responsible choices that support the middle class, our seniors, our students, and our economy."

To read Congresswoman Matsui's remarks during floor debate on this proposal, please [click here](#) .

To view a video Congresswoman Matsui recorded about the negative effect these proposals would have on America's seniors, please [click here](#) .

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